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2. Control of Market Management

a. Administrative Organs

Various Local Industrial and Commercial Organs

b. Operational Techniques

(1) Control is first extended over the markets that have important effects on the people's livelihood and then to the markets that are most sensitive to fluctuations.

(2) Control is maintained over the distribution and selling of commodity goods.

(3) Private merchants are encouraged to participate in price control and in consolidating the reorganization of commerce and industry.

(4) Control is maintained over the market production and distribution, storages and warehouses, business activities, and individual markets.

(5) Activities of the various business organs are coordinated so that development is uniform.

(6) A price system is established, investments are controlled, illegal transport of goods is banned.

3. Control of Currency Management

a. Administrative Organ

People's Bank of China

b. Operational Techniques

(1) A quota for storing goods for all governmental trading organs is established.

(2) Effective control over private industrial and commercial savings and the commercial transactions of large business firms is maintained.

(3) Rigid control over loan investments is maintained.

1950 Prices Indexes in Communist China
(December 1949 equals 100)

| <u>Month</u> | <u>Indexes</u> | <u>Food- stuffs</u> | <u>Supple- mentary foodstuffs</u> | <u>Cotton Cloth</u> | <u>Fuel</u> | <u>General Merchandise</u> |
|--------------|----------------|-------------------------|---|-------------------------|-------------|--------------------------------|
| Jan | 126.6 | 138.0 | 154.1 | 119.0 | 112.3 | 111.3 |
| Feb | 203.3 | 140.9 | 258.8 | 187.7 | 159.2 | 165.8 |
| Mar | 226.3 | 252.6 | 295.6 | 212.9 | 181.1 | 190.2 |
| Apr | 169.9 | 181.1 | 210.9 | 166.9 | 141.0 | 152.4 |

- 2 -

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| <u>Month</u> | <u>Indexes</u> | <u>Food-stuffs</u> | <u>Supple-mentary Foodstuffs</u> | <u>Cotton Cloth</u> | <u>Fuel</u> | <u>General Merchandise</u> |
|--------------|----------------|--------------------|----------------------------------|---------------------|-------------|----------------------------|
| May | 156.7 | 166.2 | 189.2 | 160.0 | 136.8 | 128.0 |
| Jun | 155.8 | 161.2 | 186.0 | 165.2 | 134.8 | 126.7 |
| Jul | 166.8 | 156.5 | 211.4 | 171.6 | 148.5 | 149.1 |
| Aug | 173.6 | 155.8 | 224.8 | 176.6 | 146.9 | 160.6 |
| Sep | 177.8 | 163.9 | 224.9 | 172.7 | 180.4 | 168.9 |
| Oct | 185.8 | 177.5 | 218.4 | 177.4 | 186.7 | 179.4 |
| Nov | 193.3 | 185.3 | 221.7 | 179.4 | 205.1 | 190.9 |
| Dec | 193.2 | 177.8 | 219.9 | 176.7 | 225.6 | 190.9 |

Note: This information is based on the prices of 25 items in Canton, Chahar, Chungking, Ch'in-huang-tao, Kankow, Tsing-tai, Foo-chow, Han-ch'ang, Peiping, Shanghai, Tientsin, Tsingtao, and Tsinan, as announced by the Ministry of Commerce, Central People's Government.

1951 Prices Indexes in Communist China

(December 1950 equals 100; December 1949 equals 100)

| <u>Month</u> | <u>Over-all Indexes</u> | <u>Foodstuffs</u> | <u>Cotton cloth</u> |
|--------------|-------------------------|-------------------|---------------------|
| Mar | 105.0 202.9 | | |
| May | 109.1 210.8 | | |
| Jun | 108 208.6 | | |
| Jul | 111.3 215.0 | | |
| Aug | 114.2 220.6 | | |
| Sep 1-15 | 114.8 221.8 | 111.4 198.1 | 123.2 217.7 |
| Sep 16-30 | 115.9 222.9 | | |
| Oct | 114.3 220.8 | | |
| Nov | 114.5 221.2 | | |
| Dec | 113.6 219.5 | | |

- 3 -

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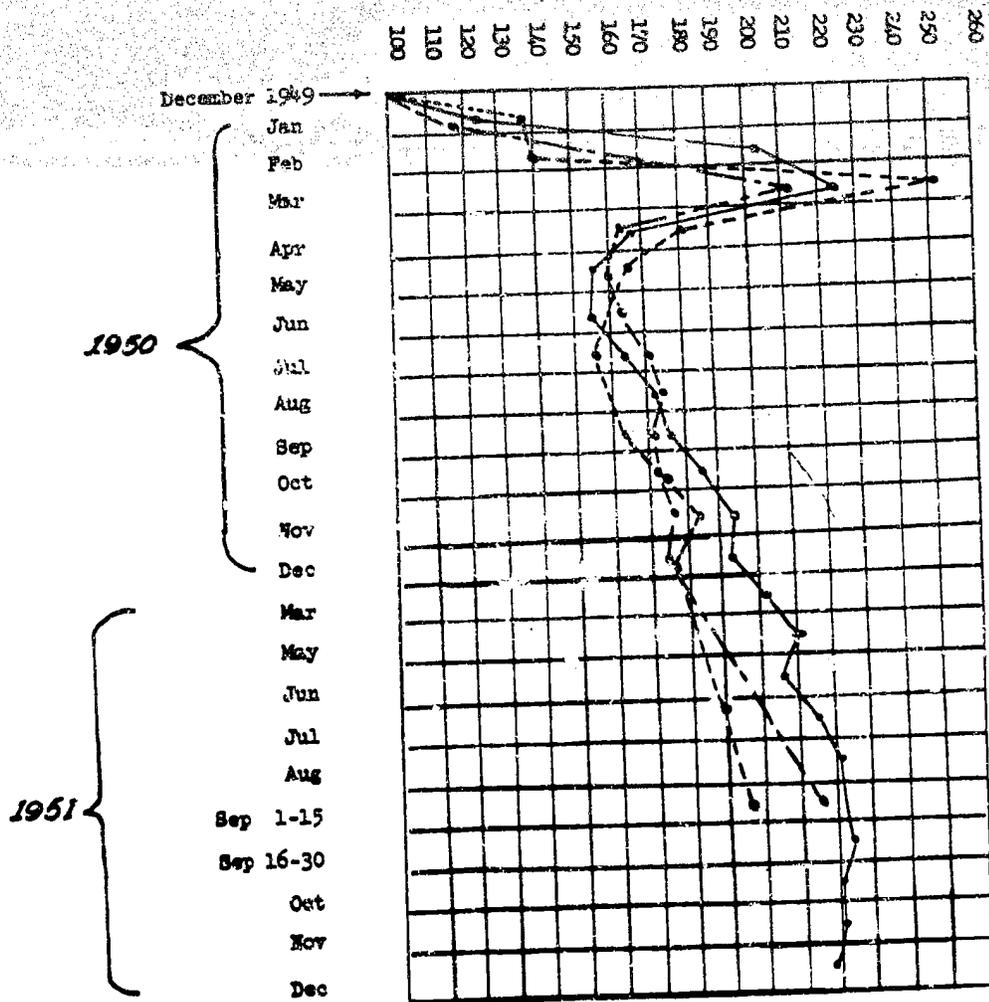
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Note: This information is based on the prices of 25 items in Canton, Ch'in-huang-tao, Chungking, Hankow, Shanghai, and Tientsin, as announced by the Ministry of Commerce, Central People's Government.

1950-1951 Price Indexes in Communist China

Cotton cloth index -----
 Over-all index -----
 Foodstuff index -----



NOTE: This information is based on the public announcements of the Ministry of Commerce, Central People's Government.

- E N D -

- 4 -

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